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CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 2193

**Introduced by Assembly Members Bass and Cohn Member
Hancock**

**(Principal coauthors: Assembly Members Bermudez, Shirley
Horton, and Maze)**

**(Coauthors: Assembly Members Hancock, Jerome Horton, and
Leno)**

February 22, 2006

An act to add ~~Section 10609.9 to~~ *and repeal Section 4648.6 of the Welfare and Institutions Code, relating to child welfare developmental services.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2193, as amended, ~~Bass Hancock. Child welfare services. Developmental services: direct-care workers.~~

Existing law, the Lanterman Developmental Disabilities Services Act, establishes the State Department of Developmental Services and sets forth its duties and responsibilities, including, but not limited to, administration and oversight of the state developmental centers and programs relating to persons with developmental disabilities. Existing law requires the department to allocate funds to private nonprofit

regional centers for the provision of community services and support for persons with developmental disabilities and their families.

This bill would require the department to establish, by March 1, 2007, a Bay Area Regional Center Workforce Enhancement Pilot Program to grant incentives for agencies providing certain services to persons with developmental disabilities to participate in arrangements meeting prescribed criteria. The bill would provide for specified increases in regional center reimbursement rates for services and supports provided under the pilot program.

The bill would require the University of California to conduct an independent evaluation of the pilot program, and to submit a report to the department and the appropriate fiscal and policy committees of the Legislature by November 1, 2011.

The bill would make these provisions inoperative on July 1, 2013, and would repeal them as of January 1, 2014.

~~Existing law requires each county to provide child welfare services, and provides for the administration of various child welfare services pursuant to regulations and procedures adopted by the State Department of Social Services.~~

~~Existing law requires the department to contract with an appropriate and qualified entity to conduct an evaluation of the adequacy of current child welfare services budgeting methodology, and to convene an advisory group. Pursuant to existing law, the Director of Social Services has convened an advisory group, the Child Welfare Services Stakeholders Group, to address concerns facing the child welfare system.~~

~~Existing law declares the intent of the Legislature that the Human Resources Workgroup of the Child Welfare Services Stakeholders Group include in its next planned report the core strategies needed to establish minimum caseload standards under the redesigned child welfare services system. Existing law declares the further intent of the Legislature that the Human Resources Workgroup make recommendations for implementing the new caseload standards.~~

~~This bill would require the state to budget the child welfare services program in accordance with specified optimal caseload standards recommended by the Child Welfare Services Stakeholders Group. The bill would declare the intent of the Legislature that the child welfare services program be funded in the annual Budget Act, in accordance with these standards. This bill would require the new budgeting standards to be phased in over a 5-year period, commencing with the~~

~~2006-07 fiscal year, and to be fully implemented by the end of the 2010-11 fiscal year. It would require the department, commencing in January 2007, to annually update the recommended budgeting standards, as specified, and to prepare and submit designated budget information to the Legislature on the release dates of the annual Governor's Budget and May Revision. The bill would require a county to provide funds sufficient to match the county's base funding allocation for child welfare services in order to be eligible for the increased funding provided for by the bill. This bill would require the county to develop a plan for the use of the additional funds, and would require the county's system improvement plan, developed pursuant to a specified provision of existing law, to be modified to include the plan required by the bill.~~

~~By placing new requirements on counties, this bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes-no.~~

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) *The Legislature finds and declares all of the*
- 2 *following:*
- 3 (1) *Services and supports for developmentally disabled*
- 4 *persons that enhance community inclusion and consumer*
- 5 *direction, such as supported, and independent living, supported*
- 6 *employment, family supports and self-directed services, are not*
- 7 *as available as they need to be, in part because of a shortage of*
- 8 *skilled direct-care workers.*
- 9 (2) *Supported living and other innovations in consumer*
- 10 *direction are offered mostly by small agencies. Although the*
- 11 *relatively small size of such agencies offers significant*
- 12 *advantages in terms of the tailored nature of the services and*

1 supports they are able to provide, this small size also adds to the
2 shortage of skilled direct-care workers. This shortage occurs
3 because small agencies have often had to rely on a business
4 model that lacks economies of scale, thus involving unnecessarily
5 high expenditures for human resource administration, and
6 contributing to an inability to provide adequate compensation,
7 training, recruitment, and career opportunities for skilled
8 direct-care workers.

9 (3) Supports like family respite and self-directed services are
10 delivered mostly through individual providers for which there is
11 no recruitment network. The atomization of the direct-care
12 workforce in small agencies creates the same recruitment
13 problem in agency-based consumer-directed services.
14 Furthermore, the hiring and retention of competent direct-care
15 workers are hampered by the impoverishment of the workforce
16 and the lack of work standards, and the unavailability of
17 sufficient training and education, and career opportunities.

18 (b) It is the intent of the Legislature, through rate
19 augmentation, to maintain and promote a more stable and highly
20 skilled direct-care workforce by encouraging provider agencies
21 to participate in a pilot project that provides superior wages and
22 benefits to direct-care workers, creates pools of qualified
23 direct-care workers for use by service agencies and individual
24 consumers, develops superior training and career opportunities
25 for those workers, and allows agencies that provide
26 consumer-directed services and individual consumers to obtain
27 economies of scale in human resources administration. It is the
28 intent of the Legislature that the rate augmentation be used to
29 allow significant improvements in compensation levels for
30 direct-care workers, within arrangements that will improve
31 workforce competencies and stability while enabling agencies to
32 focus less of their resources on human resource-related matters.
33 In this way, the augmentation is intended to promote higher
34 service quality at the same time as allowing for improved wages,
35 benefits, and training, as well as reduced labor turnover, for the
36 direct-care workforce.

37 SEC. 2. Section 4648.6 is added to the Welfare and
38 Institutions Code, to read:

39 4648.6. (a) Notwithstanding any other provision of law or
40 regulation, including, but not limited to, subdivision (b) of

1 Section 4648.4, the department shall establish, in consultation
2 with local regional centers and by March 1, 2007, a Bay Area
3 Regional Center Workforce Enhancement Pilot Program to grant
4 incentives, as provided in this section, for agencies to participate
5 in arrangements meeting the criteria set forth in this section.
6 Pursuant to this program, regional center reimbursement rates
7 for services and supports provided within this catchment area
8 shall be increased as set forth in subdivision (b) for all of the
9 following services:

10 (1) Supported living.
11 (2) Independent living.
12 (3) Supported employment.
13 (4) Day program and look-alike day program services that
14 meet the criteria for community integration specified in Section
15 4691.8.

16 (5) In-home respite services.

17 (b) (1) Commencing July 1, 2007, the reimbursement rates
18 shall be increased an additional 5 percent over the rates in effect
19 on June 30, 2007, for services and supports described in
20 subdivision (a) that are purchased from any provider who
21 maintains a contract for the purpose of obtaining its direct-care
22 workers from a nonprofit public benefit corporation that meets
23 all of the following criteria:

24 (A) Is incorporated by the state as a nonprofit public benefit
25 corporation that includes in its chartered purposes improving
26 recruitment, retention, training, and career opportunities for
27 direct-care workers, and increasing the availability and quality
28 of consumer-directed community-based services for people with
29 developmental disabilities.

30 (B) Has a governing board that meets both of the following
31 criteria:

32 (i) A minimum of 40 percent of the membership of the
33 governing board is composed of persons with developmental
34 disabilities, parents or legal guardians of persons with
35 developmental disabilities, or representatives of organizations
36 that advocate for the legal, civil, and service rights of persons
37 with developmental disabilities.

38 (ii) No less than 25 percent of the membership of the
39 governing board is composed of persons with developmental
40 disabilities.

1 (C) Maintains data systems that track measures of worker
2 retention, the administrative costs associated with turnover, the
3 amount, type, and quality of training provided, the number of
4 client provider agencies, the number of consumers served by
5 client provider agencies, and the number of client provider
6 agencies operating for less than one year.

7 (D) Has relations with multiple agencies that enable the
8 expansion of career opportunities for direct-care workers by
9 providing them with a network of potential employers as a means
10 of keeping skilled and experienced workers in the field.

11 (E) Has a program to develop improved training and
12 education that is designed to advance the skills of direct-care
13 workers and the quality of their service work.

14 (F) Has a consumers' advisory committee, composed of
15 persons with developmental disabilities representing the various
16 categories of disability served by client agencies, to make
17 recommendations on the development and provision of training
18 and education programs for direct-care workers to improve their
19 service quality.

20 (G) Reports annually to the department on the measures
21 described in subparagraph (C).

22 (2) The contractual arrangement between the agencies and the
23 nonprofit public benefit corporation shall require all of the
24 following:

25 (A) That the agency obtain its direct-care workers from the
26 nonprofit public benefit corporation.

27 (B) That the corporation provide the direct-care workforce of
28 the agency with improved compensation levels reflecting the
29 enhanced reimbursement rates established pursuant to
30 paragraph (1). Those contractual arrangements may be
31 conditioned on the payment by the agencies of funds adequate to
32 cover those compensation levels.

33 (C) That human resources administration functions and costs
34 be pooled so as to obtain the benefits of economies of scale.

35 (3) Nothing in this section shall be construed as prohibiting
36 contractual arrangements under which an agency retains the
37 right to review, accept, or reject direct-care workers obtained by
38 the nonprofit public benefit corporation, nor as prohibiting
39 contractual arrangements under which an agency gains a right

1 of first refusal with respect to potential direct-care workers who
2 had been referred to the corporation by the agency.

3 (4) Upon the expiration of a six-month period commencing on
4 or after July 1, 2007, during which a provider continuously
5 maintains a contract with the nonprofit public benefit
6 corporation as described in paragraph (2), the rates shall
7 thereafter be increased by an additional 5 percent over the rates
8 established pursuant to paragraph (1) for those services and
9 supports described in subdivision (a).

10 (c) Rate augmentation pursuant to this section shall be applied
11 only toward compensation of the provider's workforce.

12 (d) Rate augmentation pursuant to this section shall continue
13 until the provider no longer complies with the requirements of
14 this section or the pilot program is terminated, whichever occurs
15 first.

16 (e) An independent evaluation of the pilot program shall be
17 conducted by the University of California, and a report shall be
18 submitted to the department and the appropriate fiscal and policy
19 committees of the Legislature by November 1, 2011. The
20 evaluation and report shall include an analysis of worker
21 retention rates, the administrative costs associated with turnover,
22 the amount, type, and quality of training provided, the number of
23 participating client provider agencies, the number of consumers
24 served by participating client provider agencies, and the number
25 of client provider agencies operating for less than one year.

26 (f) This section shall become inoperative on July 1, 2013, and,
27 as of January 1, 2014, is repealed, unless a later enacted statute,
28 that becomes operative on or before January 1, 2014, deletes or
29 extends the dates on which it becomes inoperative and is
30 repealed.

31 ~~SECTION 1. The Legislature finds and declares all of the~~
32 ~~following:~~

33 ~~(a) The standards used to determine child welfare social~~
34 ~~worker caseloads were developed in the mid-1980s and are now~~
35 ~~over 20 years old. The 1984 standards that are currently~~
36 ~~referenced in State Department of Social Services budget~~
37 ~~materials are no longer relevant, given the number of changes to~~
38 ~~the program over the last 20 years.~~

39 ~~(b) The child welfare services workload study conducted by an~~
40 ~~independent contractor pursuant to Section 10609.5 of the~~

1 Welfare and Institutions Code concluded that child welfare social
2 workers currently bear caseloads that are far in excess of what is
3 reasonable to meet the requirements of existing statutory and
4 case law.

5 (e) The findings and recommendations of the child welfare
6 services workload study were highly consistent with the
7 standards established by national child welfare organizations,
8 such as the Child Welfare League of America, and with
9 numerous standards that have been imposed on states by consent
10 decrees and court orders.

11 (d) Since the 2000 publication of the child welfare services
12 workload study, federal and state governments, and the courts,
13 have increased the workload on child welfare workers.

14 (e) California's child welfare system is now severely
15 understaffed as a result of these out-of-date caseload standards.

16 (f) The effects of excessive child welfare worker caseloads on
17 children and their families can be devastating and may include all
18 of the following:

19 (1) Inadequate response to reports of child abuse and neglect.

20 (2) Inability to ensure that out-of-home placements are
21 appropriate.

22 (3) Reduced monitoring of children in out-of-home
23 placements.

24 (4) Reduced service to families attempting to reunify with
25 their children.

26 (5) Poor outcomes for foster youth and their families with
27 children in foster care.

28 SEC. 2. Section 10609.9 is added to the Welfare and
29 Institutions Code, to read:

30 10609.9. (a) Consistent with the schedule described in
31 subdivision (b), the state shall budget the child welfare services
32 program in accordance with the following optimal caseload
33 standards recommended by the study required by Section
34 10609.5:

35 (1) Screening, hotline, and intake: one worker per 68.70 cases.

36 (2) Emergency response: one worker per 9.88 cases.

37 (3) Family maintenance: one worker per 10.15 cases.

38 (4) Family reunification: one worker per 11.94 cases.

39 (5) Permanency planning: one worker per 16.42 cases.

1 ~~(b) (1) The budgeting standards described in subdivision (a)~~
2 ~~shall be phased in over a five-year period, commencing with the~~
3 ~~2006-07 fiscal year, so that 20 percent of the difference between~~
4 ~~the 2005-06 fiscal year appropriation and the appropriation~~
5 ~~based on the optimal caseload standards would be funded, until~~
6 ~~that difference is eliminated in the 2010-11 fiscal year.~~

7 ~~(2) It is the intent of the Legislature to fund the child welfare~~
8 ~~services program, including staffing ratios, in the annual Budget~~
9 ~~Act, in accordance with the budgeting standards described in~~
10 ~~subdivision (a).~~

11 ~~(c) In order to be eligible for its share of the funds described in~~
12 ~~this section, a county shall do all of the following:~~

13 ~~(1) Provide county matching funds sufficient to fully match~~
14 ~~the county's base funding allocation, not including any of the~~
15 ~~county's child welfare services augmentation funds.~~

16 ~~(2) In consultation with individuals representing social~~
17 ~~workers, foster youth, families, and parents in the child welfare~~
18 ~~services system, develop a plan for the use of the additional~~
19 ~~funding in this section to provide social workers with additional~~
20 ~~time or support to enhance casework and the outcomes for~~
21 ~~children and families described in Section 10601.2. Plan~~
22 ~~elements may include, but are not limited to, reduced caseloads~~
23 ~~of social workers, additional clerical, paraprofessional, and~~
24 ~~support staff to allow social workers more time for casework and~~
25 ~~client contact, and additional services for youth and families to~~
26 ~~assist workers in helping children and families achieve case plan~~
27 ~~goals and improve outcomes.~~

28 ~~(3) By January 1, 2007, modify the county's system~~
29 ~~improvement plan developed pursuant to Section 10601.2 to~~
30 ~~include the county plan required by paragraph (2) and the~~
31 ~~specific outcomes that the county intends to improve through the~~
32 ~~implementation of the plan.~~

33 ~~(4) Annually, or more frequently at the county's option,~~
34 ~~review its progress on the implementation of the plan required by~~
35 ~~paragraph (2) and performance on the identified outcomes, and~~
36 ~~consult with social workers, foster youth, and families in the~~
37 ~~child welfare system on possible modifications to the plan~~
38 ~~necessary to achieve improved outcomes.~~

39 ~~(d) Commencing in January 2007, the department shall~~
40 ~~annually update the recommended budgeting standards described~~

1 in subdivision (a) based on statutory, regulatory, and practice
2 changes that have occurred since the most recent update.

3 (e) In establishing compliance thresholds for outcome
4 measures developed pursuant to Section 10601.2, the department
5 shall take into consideration the extent to which the child welfare
6 system is funded to meet the budgeting standards required by this
7 section.

8 (f) On the dates that the annual Governor's Budget and the
9 May Revision of the Governor's Budget are released, the
10 department shall prepare and submit to the appropriate
11 committees of the Legislature annual budget documents that
12 include the following information:

13 (1) The Governor's proposed staffing ratio, based on the
14 proposed child welfare services funding level.

15 (2) Any adjustment to the adopted standards, based on relevant
16 statutory or regulatory changes during the previous year.

17 (3) If no adjustment is made for inflation, the amount of
18 savings associated with not providing that adjustment.

19 SEC. 3. If the Commission on State Mandates determines that
20 this act contains costs mandated by the state, reimbursement to
21 local agencies and school districts for those costs shall be made
22 pursuant to Part 7 (commencing with Section 17500) of Division
23 4 of Title 2 of the Government Code.